

Strategies to Strengthen and Grow our Community

A report to the Danville-Boyle County Economic Development Partnership from Students at Centre College in Dr. Patten Mahler's Course: Policy Analysis in Our Community

January 24, 2017

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Preface

During January of 2017, Centre College students in my course “Economics 352: Policy Analysis in Our Community” joined with the Danville-Boyle County Economic Development Partnership to study local economic development. The course concluded in public presentations on January 24 and the following reports.

Each report discusses an opportunity that could strengthen our local economy. The first three are ways to increase foot traffic at our local retail and restaurant establishments by improving information about these businesses and preserving the charm of our historic downtown areas. The second three propose ideas to strengthen our local job market through workforce development and attracting new businesses.

These proposals are the work of 14 undergraduate students over three weeks. Instead of offering expertise, they contribute fresh, additional voices to the dialogue on keeping our community vibrant and strong. I hope these projects will reinforce the partnership between Centre College and the surrounding towns that leverages the students’ talents while they make their home in Danville, and encourages students to become leaders in whatever communities they call “home” next.

The many people who contributed to this course always made the students feel welcomed and valued – a true testament to our wonderful community. In particular, I would like to thank the Danville-Boyle County Economic Development Partnership and Tom Poland for taking a chance on this project; Madison Silvert, Tom Martin, and Adam Johnson for speaking with the class; Danny Isaacs and Kim Huston who hosted us in Berea and Bardstown; Ron Scott and Alex Carney who welcomed us in Danville City Hall; and many others who spoke with my students or attended their presentations.

Moving forward, if you would like to be involved in moving these ideas further or have a project ripe for a future class of this nature, please be in touch!

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Aim Centre - Buy Local

Davis Kannapell, Jessie Hale and Rachel Wheeler

Summary

Current and prospective Centre students along with their families miss out on many of the great aspects Danville has to offer. They are unaware of events and restaurants which leads to a lack of visitation caused by marketing blocks between the college and town. Families visit for sporting events, overnight visits, and to visit their child. This is an enormous market for Danville that many other small towns do not have access to. A new and effective communication line between Danville and Centre College could help the college with recruiting because it is selling Danville to students and their parents. It also gives parents a wider variety of things to do while they are in town. This could develop the city's economy greatly by introducing a new group of customers that will utilize the services in the downtown area.

Introduction

Centre brings in an abundance of visitors to Danville throughout the year, from athletic recruits to potential students, and even patrons of the Norton Center. However, many of these visitors are unaware of local activities. If we could make them aware of their surroundings, it would expand Danville and Boyle County's market greatly. Since Danville is a fairly small town it fails to compete with big cities like Louisville and struggles to stand out amongst other small and quaint towns. Thus, utilizing the crowd Centre naturally draws is a great opportunity requiring only a relatively easy change.

Background

Roughly 1,400 students live on Centre College's campus every year and many more visit as prospective students, yet Danville is marketed for a demographic of people over the age of 50. This leaves students uninformed and uninterested in being part of Danville's community, thus preventing any long-term economic development. The lack of communication between Danville and Centre College is due to some strict policies and regulations. These regulations make it so that only administration or a college-approved club can advertise to students. The college only advertises local firms to students if they offer a discount and prospective families aren't given any information about Danville during their visits. In fact, the entire county has only one corkboard in one building on campus available to them to directly advertise to students. This disconnect between Boyle County and Centre results in a market that cannot expand to its full potential until all the students are properly informed about local amenities.

The Unreached Market

Prospective Centre parents are often unaware of Danville's local restaurants and simply resort to eating at Cheddars or another common chain restaurant. This takes away money that could be spent in local businesses. Also, most parents are clueless as to what they can do while their child is visiting at the college so they simply sit in their hotel room. Getting word out to parents of prospective students increases their likelihood to consume local goods as well as encourages them to come back and visit or even persuade their child to attend Centre. Also, parents of current students visit frequently from out of town. However, many are in the same situation as the prospective Centre parents with virtually no knowledge of where to eat or activities to do locally.

Typically, parents coming to visit their child would spend at least two nights in town. If the average cost of a hotel room is \$70, then they're spending at least \$140 to visit, not counting taxes. For a family of three, eating out would cost roughly \$50. Three meals while they're here would add to another \$150. As such, the family is now up to nearly \$300, not counting if they decide to shop at one of Danville's downtown boutiques or any other activities and incidental charges. If only half of the students had parents that came to visit just once a year, that would contribute at least \$206,400 to the local economy. Realistically, most parents would come to visit more often than that, resulting in even more money coming into Boyle County.

A huge part of what makes Centre special is the amount of students participating in collegiate sports. The football team alone has brought in 82 recruits just in the month of January. Centre essentially added 82 sets of consumers to Boyle County's market without them spending any money on marketing. Borrowing from estimates, if each visit is worth approximately \$300, the football team alone potentially brought up to \$24,600 into Boyle County this month. Keep in mind, this data is from only one of Centre's twenty-three sports teams. Football is not the only sport bringing in new consumers each month, as every team participates in recruiting new players. These recruits, plus their parents and families must stay the night in Danville due to the long drive it takes to return home, yet they receive no guidance or recommendations regarding where to eat or what there is to do. With proper advertising, these large amounts of revenue for the county could grow even more.

Another unreached market is current Centre College students. Nearly 1,400 students move to Danville every fall, yet they are clueless as to their surrounding area. These students often complain about not having any place to go, yet when given a listing of local businesses and restaurants were completely unaware of most of these unique offerings. Due to this lack of communication, students instead go to Lexington, which takes money away from our local economy. If every student went to The Hub for coffee say, once a month, that equals roughly \$54,680 entering the market. If each student ate the Pizza Pub just four times a school year, that would equal \$65,616. These are very conservative estimates based on a simple meal or a plain

cup of coffee. When other restaurants are added to this, plus word of mouth further advertising local businesses, those estimates only multiply. This is a huge amount of money that is being swept into other areas simply because of a lack of communication.

Bridging the Gap

One solution to this issue would be to utilize the Student Government Association (SGA) or Student Activities Council (SAC) to promote events in downtown Danville to students. The clubs could create a new position within themselves in order to advertise on campus events that are happening in the area. These positions would be in charge of keeping students aware of upcoming events through various online platforms such as blogs, emails, social media, or even the Cento, Centre's own news publication. Media presented can include discounts, Centre-oriented events, or a weekly professor spotlight that could promote businesses preferred by campus favorites. These students would be in direct contact with Danville's Executive Director of the CVB, Jennifer Kirchner, in order to report current and relevant information from local firms while also keeping Centre from developing a direct relationship with the downtown market in order to prevent any advertising disputes. This is a market that has been neglected, but with a partnership between SGA and SAC it could open the door to new events, venues, and profits for Boyle County.

The logistics of this could prove to be difficult as one of the organizations would potentially have to create a new office. Along with this, encouraging student participation could also be difficult without some sort of incentive such as internship credit. However, the opportunity for more students to become involved in a leadership role not only within the college but also in the community of Danville would be a wonderful benefit of this solution.

Another solution to this issue is developing a more concise packet of print media that would be distributed with the prospective students' information package when they arrive for a visit. Students receive a large packet of information about Centre but learn nothing about the town of Danville. We could easily produce a small leaflet about activities feasible for a day trip and unique places to eat in town that can be approved by the Admissions office. Prospective students already receive a large bundle of pamphlets upon arrival on campus so why not utilize the advertising venues that are already established and proven effective? Granted, relaying information to all parents and prospective Centre families could prove to be a challenge. Trying to organize and prepare enough information for families on admissions weekends or other large events would be very labor and time intensive. However, getting said information to potential students and their families would pay off in the long run because it would attract more students to the town as well as bring their business into the shops.

As with all policy changes, there are some potential tradeoffs. One of which could be trading current budget allotments and time to advertising to this previously unreached group of people in order to increase pay off in the future. While this could be a risk, it has the potential to pay off

greatly for our community. Decreasing the advertising budget going out to other areas in order to market to people already here seems counterintuitive, however there are 1,400 people currently in Danville (plus their visiting families). Those 1,400-plus people are residents or guaranteed visitors that are unaware of the area around them, and spending less money to advertise to them could pay off more than advertising in other, more expensive, areas such as magazines where there is no guarantee that the viewer will even come. With targeted advertisements to Centre parents, both visiting and spending could increase even more. Another potential benefit of this new advertising venue would be an increase of the CVB's budget caused by getting more parents and visitors to stay in hotels. Many parents choose to stay in Lexington because they believe that there is nothing to do in Danville, or even refuse to come in the case of one student's mom. If we can show them the potential that our city has, parents would be more likely to take a weekend trip to come visit their student which results in more income not only to the CVB but the city and Boyle County as a whole.

Conclusion

Hundreds of students visit Centre College every year, trying to figure out if it is the right fit for them. These students and their families travel from all across the country to visit. While the students stay the night on campus, the families are left out in Danville to try and find something to do. The students of the college are missing out as well because, just like these parents, they are not informed of over half of the firms available much less what is going on in downtown Danville. An advertisement launch involving the students of Centre and families of prospective students could help an entirely new market emerge for the city of Danville.

Acknowledgements

First and foremost, we would like to thank Mrs. Jennifer Kirchner for working so closely with us and giving us the opportunity to help the CVB. We would also like to thank Kim Huston and Danny Isaacs for showing us around their towns and showing us real-life examples of effective policy and its effects. Lastly, we would like to thank Dr. Michael Strynick, Mrs. Mona Wyatt, and Dean Randy Hays for taking time out of their busy schedules at Centre and being such a resource for us in our studies. We wouldn't have finished this project with each one of you, so from the bottom of our hearts - thank you.

Breathing Young Life into the Heart of Danville

Lena Jewler and Tyler Stevenson

Summary

Downtown Danville has a tremendous opportunity to draw young people in, especially in the evenings on the weekend where there is a lack of hustle and bustle. However, there are not currently enough restaurants, pubs, and other areas downtown within the price range of Centre students and other young people in Danville. Making downtown look more inviting in the evenings, advertising and marketing local businesses, and partnering with Centre to draw students downtown are all short term ideas that would draw millennials downtown. Centralizing industries that attract college students, attracting new firms, and increasing the population density of downtown are long term ideas that would establish a lasting culture of youth in downtown Danville. This would significantly increase revenue and create an atmosphere that is attractive to millennials looking to visit, live, or work in Danville.

Introduction

Our primary objective is to create a plan to draw millennials into downtown Danville. Centre College is home to roughly 1,400 millennials for nine months a year. It borders downtown and could be a tremendous asset. We conducted a poll of 64 Centre students to examine their views on downtown Danville; the full results are published at the conclusion of this proposal. The results show that less than half of Centre students visit downtown once per week or more. This indicates that there is a significant number of millennials who live right next to downtown that are choosing simply not to interact with it. Should the town adjust and appeal to millennials, it could significantly increase the number of millennial visitors who journey to downtown Danville (both Centre students and non-Centre students alike). This could have beneficial effects on the local economy and increase profits of local businesses.

Background

Prior to proposing a plan to attract millennials to the downtown area, there is some relevant information that must be presented concerning downtown. There is a lack of available real estate, and the available space is relatively expensive. The historic downtown buildings must be preserved, but many are in poor condition and require a substantial amount of money to update and repair before than can be put to use. Finally, the lack of existing foot traffic may make new businesses hesitant to locate in downtown Danville.

Moving Forward

Creating a vibrant downtown atmosphere that upholds Danville's historic roots while inviting the change necessary to appeal to young people is a process that needs to be approached in stages. The rich history and culture of downtown will be preserved, but the presentation of the town could be altered slightly in order to appeal to the next generation of consumers, entrepreneurs, and citizens of Danville. Short-term and long-term strategies for this growth are explained in detail below.

Short-Term Strategies

Lighting and Signage. One step that downtown Danville could take to attract millennials downtown is to modify certain town ordinances that regulate how businesses are allowed to decorate the exterior of their locations. Presently there is little lighting or signage for businesses. This is particularly evident at night. At night downtown is a collection of dark buildings and isolated street lights. This is not a particularly appealing atmosphere. Should the town allow businesses, particularly food and drink related businesses to decorate their windows and buildings with lighted signage it would help to create an inviting atmosphere that would help attract millennials downtown at night. Our survey revealed that approximately 65 percent of Centre students would find downtown Danville more appealing at night if there were additional lighting and signage.

Marketing and Advertising. Marketing and advertising is another area that downtown Danville could capitalize on in order to draw millennials downtown. Centre students in particular have a very limited presence downtown. We believe this is because many are simply unaware of the amenities that the downtown area has to offer. The primary method of advertising for businesses downtown on Centre's campus is word of mouth. This means that many businesses, particularly restaurants, are missing out on a potentially significant market share. However, relatively little advertising could go a long way. For example, many local and chain restaurants deliver to campus. However, only one offers a Centre College student discount and routinely advertises. One of the most popular food options on campus is Papa John's. Once a semester or so Papa John's distributes a flier through the Centre College post office that offers pick up or delivery pizza options and gives students a small discount. As a result of this very limited advertising campaign, Papa John's exceeds any competing delivery food provider in both popularity and sales. Our survey shows that Papa John's is more than twice as popular as its next closest competitor with students. This proves the effectiveness of even a minor advertising campaign combined with the generosity of a small student discount.

Partnership with Student Organizations. An excellent way to facilitate a successful advertising campaign would be for Heart of Danville to forge a partnership with Student Government Association or the Student Activities Council with the general purpose of promoting student participation downtown. This would be a mutually beneficial partnership because students would

gain knowledge of activities and events downtown, possibly at a discounted rate, and businesses would gain a customer base and increase revenue. This incentivizes both students and business downtown to work together to promote downtown Danville. The coordinated efforts of Centre student downtown businesses could lead to opportunities for targeted advertising, such as the millennial event night detailed below.

Millennial Event Night. The final short-term idea to get millennials downtown involves coordinating with a number of businesses downtown to create an event targeted at Centre students but would include all millennials living in the Boyle County area. The Heart of Danville could coordinate with downtown businesses popular with students and the Student Government to select a date to have a downtown event targeted at students and millennials. Our survey of Centre students showed that no less than 100 percent of Centre students would be more likely to visit downtown restaurants if they were offered a discount at a particular time. The event would entail businesses agreeing to remain open late on a certain day and possibly offering students incentive to visit the business. In exchange, the Student Government would promote the event and try to generate as much enthusiasm and support for the event as possible. The goal would be to get a large number of students to visit downtown after hours one day. This could help to shape the culture of downtown Danville as an area popular with millennials. This in turn could help long term ideas gain traction.

Long-Term Strategies

The following long-term strategies require much more time and capital investment than the short-term approaches highlighted above. Nonetheless, we have identified them as the most powerful tools that Danville could use to establish a strong base for both attracting and retaining millennials.

Hotels and Housing. The first long-term step Danville can take is creating a larger population density downtown by establishing a variety of housing options that range from a downtown hotel to additional Airbnbs to townhouses. The addition of both temporary and permanent residency options close to Main St. will give the downtown area increased foot traffic, especially during later hours. In addition, recent studies show that small towns can capitalize on big-city appeal simply by creating a population density. In a 2013 poll for “America’s Coolest Small Towns” by *Budget Travel*, all but three of the top 15 had population densities above 500; and the top six all had population densities above 1,000 people per square mile.¹

New Restaurants and Bars. Another long-term approach to consider is working to attract new businesses that would attract millennials while maintaining Danville’s historic charm. Most of these businesses would focus on the food industry; some examples of appropriate businesses

¹ St. Louis FED www.stlouisfed.org/Publications/Bridges/Fall-2013/Increasing-Density-A-SmallTown-Approach-to-New-Urbanism

include a diner with a coffee shop, an old-school soda fountain, a sports bar, and an Irish pub. Our survey of Centre students revealed that more than half of students would like to see another coffee shop in downtown Danville, and support for a diner, sports bar, and Irish pub were all above 70%. The addition of just one or two of these types of businesses would go a long way towards creating a downtown atmosphere that is attractive to millennials. Rather than focusing on retail as a way to attract young people, more and more, young people are instead looking for an experience or culture to immerse themselves in. In the same survey, almost 80% of students shopped at local retail establishments less than once a month, the most infrequent option offered. Furthermore, no Centre student surveyed reported shopping at downtown retail locations more often than “at least once a month”. Options such as coffee shops, diners, sports bars, and Irish pubs create social, “hangout” options that allow young people to congregate in a given area. Furthermore, increasing the number of locations open at later hours will draw more total foot traffic downtown, allowing all businesses, both new and existing, to increase total revenue.

Centralizing Downtown Amenities. Finally, downtown Danville can best capitalize on both new and existing businesses by centralizing those options attractive to young people in one central location. Currently, restaurants downtown popular among millennials are relatively distant from each other, on isolated islands so to speak. For example, the Pizza Pub, Plank on Main, and the Beer Engine, while all within walking distance, are not by any means centralized. If these restaurants and others similar were clustered in one area, it would create a more vibrant and compelling downtown atmosphere. In addition, centralizing those businesses open during later hours allows them to capitalize off of all evening foot traffic, while also allowing those locations who close down a little earlier to avoid getting caught up in any sort of late-night rush. Creating a compact zone of amenities catered towards young people allows gives a greater incentive to “window-shop”, so to speak, giving nearby restaurants and businesses attention from patrons who may not have been aware of them previously. More broadly, centralizing millennial-focused downtown establishments allows Danville to create a stronger, more present atmosphere of youth.

Model to Follow

To see an example of a very similar strategy for promoting economic growth in another small town, look no further than Travelers Rest, South Carolina. Dubbed the #16 Best Small Town in America by Best Choice Reviews in 2013, Travelers Rest is a town of 4,750 with Furman University on its doorstep.² It began downtown revitalization efforts in 2006, (Ibid.) giving the town the opportunities for growth it needed to nab this and other impressive distinctions.³ Many of the strategies implemented by Travelers Rest and highlighted in their Market Analysis and

² Best Choice Reviews www.bestchoicereviews.org/50-best-small-town-downtowns-in-america/

³ Travelers Rest, SC www.travelersrestthere.com/about/

Economic Development Plan, released in 2012 and updated in 2014, closely mirror those laid out in this proposal.⁴

In Travelers Rest, downtown lighting and signage redevelopment, addition of a weekly downtown event series, and revamped marketing efforts were all utilized in the downtown redevelopment process (Ibid). While no mention of partnerships with Furman University were mentioned in the report, it does cite that by 2013, revitalization efforts resulted in the downtown area becoming “a regular destination for Furman students and faculty” (Ibid). Furthermore, we are confident that for Danville, working hand in hand with the Centre community can only accelerate downtown revitalization.

By implementing these short-term strategies, new restaurant establishments became organically drawn to Travelers Rest. The growth of Travelers Rest is described as most evident in the food business, where independent restaurants serving homemade food now are settling into the downtown area, with new developments still on their way.⁵ One new independent dining establishment, Upcountry Provisions Bakery & Bistro, claims that their business has grown by about 35 to 40 percent year over year for three years running, and is now referred to as a “fixture in the community” (Ibid). While attracting dining and other establishments was certainly a part of the Economic Development Plan for Travelers Rest, with some of the small scale strategies implemented, the town found that it took less effort to recruit the businesses needed downtown to continue cultivating a vibrant atmosphere.³ The plan also mentions adding increased housing options downtown (Ibid), as is mentioned in this report as well.

While Travelers Rest and Danville are two distinctly different small towns, the strategies used to successfully revitalize the South Carolina downtown can and should be utilized here in Danville as well.

Conclusion

Danville's quiet and quaint nature are certainly attractions for people who want to escape from busier cities, but there are certain steps that can be taken to attract millennials and increase the number of people drawn downtown without sacrificing the small-town feel that makes Danville so great. We have laid out a series of ideas that could be very beneficial to the future of the town. Some are quite simple and would require very little investment and coordination on behalf of the town. Others would require long term coordination and effort. However, with the proximity of Centre College to downtown, Danville is in a position to create a bustling downtown atmosphere

⁴ Travelers Rest, SC Market Analysis and Economic Development Plan <http://travelersrestsc.com/wp-content/uploads/2015/06/TR-Market-August-27-2014.pdf>

⁵ Greenville Online (USA Today affiliate) <http://www.greenvilleonline.com/story/news/local/2015/01/20/travelers-rest-grows-food-scene/22049529/>

that appeals to people of all ages. This is vital to the future of downtown and could greatly benefit downtown and its businesses.

Acknowledgements

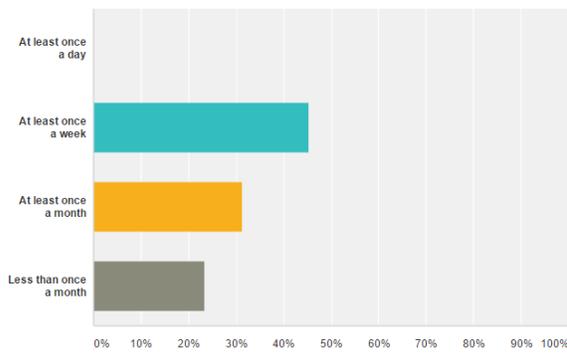
We would like to thank Nick Wade, Jody Lassiter, Tom Poland, and Madison Silvert for taking the time to help with our project.

Survey Results

Q1

How often do you visit downtown Danville?

Answered: 64 Skipped: 0

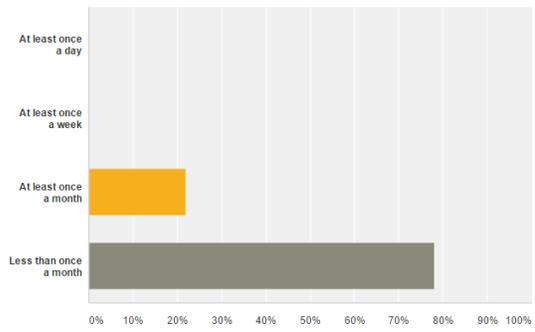


| Answer Choices | Responses |
|------------------------|-----------|
| At least once a day | 0.00% 0 |
| At least once a week | 45.31% 29 |
| At least once a month | 31.25% 20 |
| Less than once a month | 23.44% 15 |
| Total | 64 |

Q2

How often do you shop at local retail establishments (ex. Cersi On Main/Karamel Kreations, Vestiary)?

Answered: 64 Skipped: 0

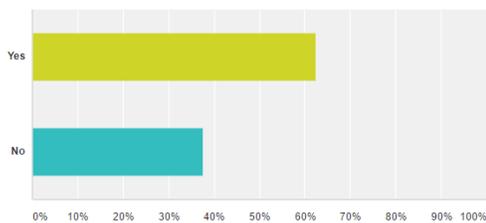


| Answer Choices | Responses |
|------------------------|-----------|
| At least once a day | 0.00% 0 |
| At least once a week | 0.00% 0 |
| At least once a month | 21.88% 14 |
| Less than once a month | 78.13% 50 |
| Total | 64 |

Q3

Would the addition of lighting (ex. neon signs) make downtown Danville more appealing to go to at night?

Answered: 64 Skipped: 0

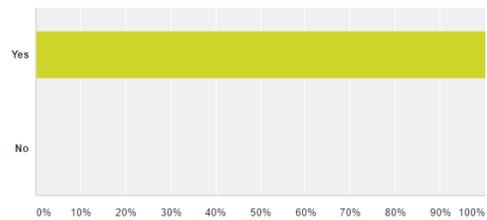


| Answer Choices | Responses |
|----------------|-----------|
| Yes | 62.50% 40 |
| No | 37.50% 24 |
| Total | 64 |

Q4

If downtown restaurants (ex. the Pizza Pub, Captain Frank's) offered Centre discounts on certain days, would you be likely to go to those restaurants on discount days?

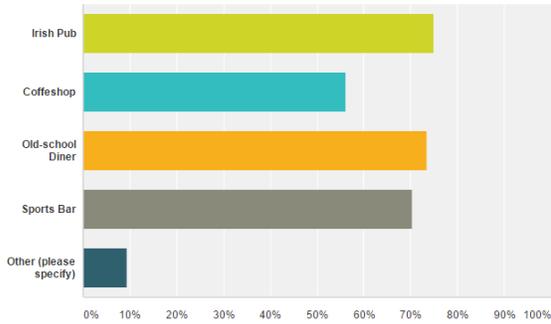
Answered: 64 Skipped: 0



| Answer Choices | Responses |
|----------------|------------|
| Yes | 100.00% 64 |
| No | 0.00% 0 |
| Total | 64 |

How many of these businesses (if any) would you be interested in seeing open downtown? Select all that apply.

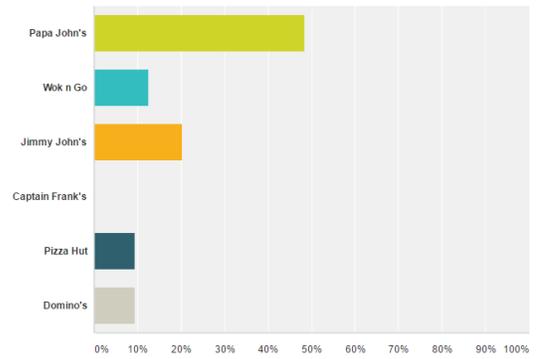
Answered: 64 Skipped: 0



| Answer Choices | Responses |
|------------------------|-----------|
| Irish Pub | 75.00% 48 |
| Coffeshop | 56.25% 36 |
| Old-school Diner | 73.44% 47 |
| Sports Bar | 70.31% 45 |
| Other (please specify) | 9.38% 6 |
| Total Respondents: 64 | |

What is your favorite restaurant that delivers to Centre?

Answered: 64 Skipped: 0



| Answer Choices | Responses |
|-----------------|-----------|
| Papa John's | 48.44% 31 |
| Wok n Go | 12.50% 8 |
| Jimmy John's | 20.31% 13 |
| Captain Frank's | 0.00% 0 |
| Pizza Hut | 9.38% 6 |
| Domino's | 9.38% 6 |
| Total 64 | |

Preserving Perryville: Our Heritage, Our Future

Amaryst Parks and Will Schein

Summary

Perryville receives hundreds of thousands of tourists a year, but has trouble keeping them in town. This is due to a lack of stores and restaurants. Main Street Perryville wants to renovate buildings and move in businesses to bring these tourists to the downtown, without upsetting local residents. Historic preservation is a key part of promoting tourism and economic development. Perryville is lacking the funding necessary for proper preservation. We propose implementing a restaurant tax and local fundraisers to finance these projects.

Introduction

Perryville is a town of 752 with a rich history that needs to be preserved. Perryville lies 9 miles west of Danville. Almost half of the buildings in the town were built before 1830, giving the town a historic charm. This includes Historic Merchants Row, the downtown area of Perryville located right on the Chaplin River. Perryville may be small, but the town is located next to the site of the Battle of Perryville, an attraction bringing in 150,000 - 200,000 visitors to the area each year.¹ This, along with the town being on the Bourbon Trail, has opened Perryville up to tourists, creating an opportunity for economic development.

Tourism is the biggest industry in Perryville. However, there isn't much for these tourists to do in town. Perryville lacks a restaurant and the number of local stores on Merchants Row can be counted on one hand. The recent vote for the town to go wet, or allow the sale of alcohol in Perryville, might change this. A restaurant already has plans to open across the river from downtown. A bakery is also going to open on Merchants Row in the spring, with hopefully more businesses to follow. Unfortunately, there aren't many spaces in the downtown area for businesses to move into as some of the buildings are in desperate need of renovations. With community support, we can help Perryville reach its full potential.

Historic Preservation

Perryville's Merchants Row is the oldest retail street of pre-Civil War stores still in use in the country, all of the buildings being around 173 years old.² This is a major historic attraction that needs to be preserved. The Bowling House was a doctor's office built before 1845. It sat in Merchants Row until it was torn down by its owner.³ Historic buildings like the Bowling House

¹ Vicki Goode, Executive director of the Main Street Perryville Program

² Main Street Perryville, <http://www.downtownperryville.com/restoration-of-merchants-row>

³ Vicki Goode

are essential to Merchants Row and show the need for historic preservation in Perryville. Protection of historic buildings in Merchants Row is the main purpose of a historic preservation ordinance.

Charleston, South Carolina established the country's first local historic district and preservation ordinances in 1931. Today there are over 2,300 communities with preservation ordinances in place. Sprawling metropolises and small towns like Perryville have found these laws to be effective in protecting historic places from the fate of the Bowling House.⁴ One such town is Abingdon, Virginia, which, much like Perryville, has a war monument and historical buildings to promote tourism. Garrett Jackson, Abingdon's director of planning, explains benefits of historic preservation: "Our largest industry is tourism. People come out just to look and walk through our historic district. It really gives a sense of the quality of life we enjoy here[...] Businesses want to locate here because of that quality of life."⁵ And quality of life is a major factor in the location decision for businesses.⁶ So, historic preservation promotes local economic development by creating an attraction for businesses and tourists alike.

Historic preservation is a key part of local economic development in the Main Street program and has many economic benefits like putting money into the community, creating jobs, and promoting tourism. In Merchants Row there are about 3 buildings that could be restored for "adaptive re-use."⁷ When a historic building is torn down, all of the energy and materials used to construct it in the first place are wasted. Instead, we could add value to the community by using funds and energy from within to restore the historic buildings. This not only adds to the value instead of wasting the inherent value of a building, but also creates opportunity for business owners and preserves the elements that are important to the historic, architectural, and cultural heritage of Merchants Row.

Another benefit is jobs. The most frequently used indicator of economic improvement is the number of jobs created and the amount of household income increased. In a typical rehabilitation project, 60% to 70% of the total cost is labor. The average cost of renovation for a building in Merchants Row is about \$140,000.⁸ Since this money is almost always spent on local labor this could mean \$84,000-\$98,000 going into the community for each project. Renovating these buildings would keep money in the community and create local jobs, a prime example of local economic development.

When visitors come to a town like Perryville with a historic battlefield and downtown area, it is

⁴ Louisiana Department of Culture, Recreation and Tourism
http://www.crt.state.la.us/Assets/OCD/hp/grants/certifiedlocalgovernmentdocuments-and-forms/A_Citizens_Guide_to_Protecting_Historic_Places.pdf

⁵ Livability Journal <http://livability.com/top-10/culture/10-best-cities-for-historic-preservation/2012/va/abingdon>

⁶ Blair, John P., and Michael C. Carroll. *Local Economic Development: Analysis, Practices, and Globalization*. 2nd ed. pg. 30. Print.

⁷ Main Street Perryville, <http://www.downtownperryville.com/restoration-of-merchants-row>

⁸ Vicki Goode

called heritage tourism, or traveling to authentically experience culture of past and present people.⁹ Heritage tourism is one of the fastest growing sectors of tourism.¹⁰ 78% of U.S. leisure travelers participate in heritage tourism and on average spend more than a regular traveler (\$994 to \$611 for all U.S. travelers).¹¹ One reason historic preservation is an important component of local economic development for Perryville is because it enhances heritage tourism by creating, promoting, and sustaining the historic environment in Merchants Row. This creates an opportunity to tap more into this ever-growing industry.

One might argue that renovating Merchants Row is costly, but it is roughly the same cost as building new. If the building does not need to be torn down, a major renovation could cost 12% less than a new construction.¹² Merchants Row could keep its historic culture for almost the same price as losing it. But why do this now? Jerry Houck, the owner of Cue and Nelly Burton's in Danville, is going to open a restaurant in the Boyle House, a building in Perryville. The Boyle House hasn't been renovated in decades, which makes the renovation for it now that much more costly.¹³ Another example is a house and a mill in Perryville owned by Main Street Perryville that was condemned because they hadn't been renovated in so long. Now their renovations cost is the most expensive. If we wait to renovate our historic buildings, it will cost significantly more for Main Street Perryville in the future.

Change is difficult, especially in a smaller town like Perryville. It is important to the environment of Merchants Row that all the buildings reflect a historic charm, but concerns about cost and the future of Perryville may stop locals, local organizations, and government from wanting to renovate. An open line of communication eases the tension of change and provides opportunity for feedback. Community activities like free preservation forums could help business and property owners to understand the purpose of a historic preservation ordinance and to understand how it works in real life.

All in all, historic preservation could be an opportunity for growth and development for Perryville. Putting an ordinance in place could save Perryville money, improve quality of life for Perryville residents, and enhance the town's tourism economy. These benefits could make the community see historic preservation as a worthwhile investment. The danger of not doing this now is a future Merchants Row of Bowling Houses.

⁹ Colorado Preservation Inc., <http://coloradopreservation.org/faqs/what-is-heritage-tourism/>

¹⁰ Measuring Economic Impacts of Historic Preservation <http://www.preserveamerica.gov/docs/economic-impacts-of-historic-preservation-study.pdf>

¹¹ Preservation Nation

http://my.preservationnation.org/site/DocServer/Economic_Benefits_of_HP_April_2011.pdf?docID=9023

¹² Preservation Nation

http://my.preservationnation.org/site/DocServer/Economic_Benefits_of_HP_April_2011.pdf?docID=9023

¹³ Vicki Goode

Funding

With the recent vote to go wet and a new restaurant and bakery planning on opening up in the spring it can be said that businesses want to come to Perryville. Historic Merchants Row would make an ideal location for any store or restaurant wanting to open their doors in Perryville. Unfortunately, there isn't enough space available. However, there are three buildings on Merchants Row which could be available if they received the proper renovations. Obtaining the necessary funds to renovate their historic buildings so that new businesses can move in is one of downtown Perryville's largest challenges. This would help achieve Main Street Perryville's ultimate goal: to retain tourists brought in by the Battlefield and Bourbon trail.

We explored three ways Main Street Perryville could get the funds required to renovate their downtown buildings. We looked into the possibilities of receiving tax revenue, trying to get grants, and possible fundraisers. Each option has its own benefits and costs, and we explored each individually to see which one(s) (if any) is the most possible for the Main Street program to pursue.

Currently, Main Street Perryville receives no money in the form of tax revenue for tourism. The taxes collected in Perryville for this purpose go to the Boyle County Convention and Visitors Bureau, the idea being that how the CVB chooses to spend the money will ultimately end up benefitting Perryville because their goal is to improve tourism in all of Boyle County.¹⁴ We believe some of the tax revenue should go to Main Street Perryville in order to help them fund their renovation projects and create spaces for more businesses to move in to.

One type of tax we thought would help Perryville was a restaurant tax. Berea implemented a 3% restaurant tax a couple years ago and in one year they received 1.5 million dollars to help economic development in their downtown area.¹⁵ A restaurant tax makes sense because there is one restaurant already planning on opening up in town, and the vote to go wet will only bring in more eateries. While a restaurant tax has worked in other communities and would appear to have room for growth in Perryville, it could also have some negative consequences. Restaurants thinking of moving into Perryville would see the recent vote to go wet, lack of competition, and big tourist draw as positives, but knowing there would be a small tax on all their sales might be a deterrent.

Realistically the tax would be shared by both the customers and the restaurants, so the percentage the restaurant loses out on would be less than the actual tax. However, there would still be profits taken from the restaurants in the form of both dead weight loss and the collection of the tax. Because of this, restaurants considering coming to Perryville might think about other locations without such a tax.¹⁶ Hopefully the benefits of operating in Perryville would outweigh the tax,

¹⁴ Vicki Goode

¹⁵ Danny Isaacs, executive director of economic development in Berea

¹⁶ Blair, John P., and Michael C. Carroll. *Local Economic Development: Analysis, Practices, and Globalization*. 2nd

but if that isn't the case then other forms of tax revenue would have to be explored.

We also thought pursuing grants for the renovation of historic buildings could be another option for the Main Street program. Unfortunately, this seems less likely than receiving tax revenue or doing fundraisers. This is due to many reasons: Grants are time-consuming to pursue, and with only one employee on the payroll, this would be a big commitment for Main Street Perryville. Another reason is the majority of the grants available for preservation projects don't allow the recipients to spend the money on actual construction, the one thing downtown Perryville needs. The grants allowing the money to be spent on construction are all lacking funding.¹⁷ Due to these factors, grants don't look like a likely method to get funding.

Fundraising is something the Main Street Perryville has done before to raise money, and is still a possibility. Fundraisers aren't as effortless as taxes nor would they gain as much revenue, but Main Street Perryville would be in complete control of them and thus are a greater possibility than taxes or grants.

We came up with a couple fundraising ideas that draw upon and showcase the storied history of the town. Perryville has numerous ghosts and ghost stories floating around town, there is even a ghost tour during the warmer months. We thought creating a ghost anthology with locals' stories and the paranormal legends Perryville would be a hit with visiting tourists and locals alike. Another way to capitalize on the haunted history in Perryville would be to host a haunted house every Halloween. Using an old building and creating a theme around the civil war would draw crowds, and the entrance fees would go towards renovations. The Main Street program could even partner up with service clubs at Boyle County High School, or even the local 4H chapter. A third fundraising idea we came up with is to do tours of Perryville, showcasing the connection between the town and the battle. The visitors who are interested in the battle and its history would also be interested in the role the town played in the battle.

Conclusion

Perryville is on the right track for the future. They are beginning to bring more businesses in, but need investment to help facilitate the growth. Part of Perryville's attraction is its historic downtown, home to many buildings in need of preservation and renovation if they are to accommodate new businesses in the future. Historic preservation of these buildings enhances tourism, improves quality of life, and promotes economic development. Main Street Perryville is in need of funding in order to renovate these buildings and keep them preserved. We thought a restaurant tax and fundraisers would be the best way to acquire the necessary funds. With the proper funding Perryville will be able to improve upon the good work they've already done.

ed. pg. 32. Print.

¹⁷ Housing and Urban Development,

https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/economicdevelopment/programs/rhed

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Low Risk, High Return: Investing in Early Childhood Education

Ian Johnson, Hans Stromberg, and Hendley Traugher

Summary

Early childhood education is crucial to a developed community and a developed workforce. Investing in early childhood education can increase productivity and reduce costs in public health and incarceration. In Boyle County, many families do not have access to early childhood education programs due to high costs and long waiting lists. In addition to this, many families fail to understand the importance of early childhood education. To combat this lack of access and knowledge of importance, we propose providing educational seminars to parents and training seminars to unlicensed childcare providers and any members of the public. These programs will expand access to childhood education programs, reduce future costs to the Boyle County community, and create a stronger, more productive, and more efficient workforce.

Introduction

One of many workforce issues that Boyle County currently faces is the lack of awareness about the importance of early childhood development. Children who receive quality education during the early years of life when most brain development takes place will be less likely to engage in criminal activity, attend college at higher rates, abuse drugs and alcohol less, and are more likely to be employed than those who do not.¹ These results hold true regardless of income level as well. Investing in early childhood development has the potential to benefit local governments, businesses, and taxpayers. By addressing problems before they begin, the initial costs of early childcare programs are offset by their savings to the community. When assessing societal costs including incarceration, public health and workforce productivity, early childhood education programs from seven states show returns of \$2-\$4 for every \$1 spent.² In Kentucky, estimates on returns on a public program are even higher, with \$7 saved in public costs for each dollar spent.³ If a national policy were implemented that gave all children free access to early childhood education for two years prior to entering kindergarten, U.S. GDP would increase by \$2 trillion

¹ Robert Lynch and Kavya Vaghul, "The Benefits and Costs of Investing in Early Childhood Education," *Washington Center for Equitable Growth*, (2015) : 8. file:///Users/Ian/Downloads/early-childhood-ed-report-web.pdf

² Lynn Karolyn, "The Economic Returns to Early Childhood Education," *Future of Children* 26, no. 2 (2016) : 49. <http://web.b.ebscohost.com/ehost/pdfviewer/pdfviewer?sid=ce1d4a49-7fad-4c90-821f-ab667a04a572%40sessionmgr103&vid=2&hid=118>

³ "Governor's Office of Early Childhood," Governor's Office of Early Childhood : Why We Invest in Early Childhood, , accessed January 20, 2017, <http://kidsnow.ky.gov/About-Kids-Now/Pages/Why-Invest.aspx>.

after an initial investment of \$59 billion.⁴ The time to invest is now. In Boyle County, small community investments in early childhood education would translate into large future savings for local businesses by diminishing the workforce issues caused by substance abuse, public health, and poverty.

Background

In the Boyle County area, many parents are unable to provide their children with quality early childhood education because of high costs relative to wages, inflexible schedules, or a lack of understanding of its importance in social development. Of the ten state-licensed child care facilities in the county, the average cost per child per week is \$117 for infants (from birth to 2 or 3 years old). This translates to over \$6,000 per year which is over 15% of the median household income in Boyle County.⁵ In addition to high costs, most Danville child care centers have long waiting lists meaning parents could wait for months before their child is accepted. The quality of the child care is an important aspect as well. In the surrounding counties of Casey, Garrard, Lincoln, Marion, Mercer and Washington, only eight licensed childcare centers have received at least a 3 out of 5 star rating from the state.⁶

Approximately 66% of Boyle County's workforce is made up of workers from neighboring counties like Garrard and Mercer.⁷ While some non-residents that work in Boyle County may seek child care providers in the county, others may need providers in their county of residence. This means that the lack of access to affordable child care is not limited to Boyle County, and any solution will have to expand into neighboring counties.

As a result, early childhood education programs are not accessible to many families. Parents instead turn to other, unprofessional childcare arrangements such as family members or unlicensed providers that lack training. This issue is exacerbated by a general lack of understanding and undervaluing of the importance of education to early brain development and future achievement. Advances in brain research tell us that by the age of 5, more than 90 percent of the architecture of the brain is already in place.⁸ If families in Boyle County and surrounding counties don't understand the importance of getting their child proper nourishment and education, they are setting their children up for failure in the future. In addition, some parents do not understand the importance of preschool. Children in a longitudinal study who had attended

⁴ Lynn Karolyn, "The Economic Returns to Early Childhood Education," *Future of Children* 26, no. 2 (2016) : 49. <http://web.b.ebscohost.com/ehost/pdfviewer/pdfviewer?sid=ce1d4a49-7fad-4c90-821f-ab667a04a572%40sessionmgr103&vid=2&hid=118>

⁵ Bureau of Economic Analysis. "Personal Income for Boyle." November 17, 2016. Accessed January 5, 2017. <https://www.bea.gov/regional/bearfacts/action.cfm?geoType=4&fips=21021&areatype=21021>.

⁶ Kentucky Integrated Child Care System. "Child Care Provider Search." <https://prdweb.chfs.ky.gov/kiccspublic/providersearchpublic.aspx>

⁷ U.S. Census Bureau. "Inflow/Outflow Analysis: Boyle County, Ky." <https://onthemap.ces.census.gov>

⁸ Governor's Office of Early Childhood . "Governor's Office of Early Childhood: Why We Invest in Early Childhood," accessed January 20, 2017, <http://kidsnow.ky.gov/About-Kids-Now/Pages/Why-Invest.aspx>

preschool were less likely to drop out of high school, less likely to be placed in a special education program, and less likely to be held back. They also scored better on reading and math achievement tests.⁹

There are several current child care policies funded by the state which local parents may not be taking advantage of due to imperfect information. One of these programs is CCAP (Child Care Assistance Program) which subsidizes the cost of childcare for low income families. The goals of the program are to provide access to quality child care, provide people the opportunity to attend education and training programs, and provide the opportunity for people to participate in the Kentucky Temporary Assistance Program.¹⁰ One problem with this program is that not all centers accept CCAP stipends, and many workers' incomes disqualify them from the program. Another program facilitated by the state is the HANDS (Health Access Nurturing Development Services) program. This program is a voluntary home visitation program for any new or expectant parents.¹¹

Proposal

To combat the major issues surrounding early childhood education that Boyle County faces, we propose a multi-faced policy that targets both the market failure of lack of information about the importance of childcare and the inaccessibility of care. Costs to taxpayers and other local stakeholders would be minimal. The policy includes the following points:

- Offer community seminars to parents or other interested parties that discuss the importance of early childhood education for their children as well as available resources that could help ease the costs of childcare. Seminars will be hosted by state-certified Child Care Health Consultants and will take place in local schools or public centers in Boyle and surrounding counties. Seminars will be promoted by local businesses (including child day care centers) as well as through local public schools.
- Offer free training sessions to residents involved in child care that don't operate as a certified child care center. Individuals would participate in weekly training sessions that would teach them engaging techniques that encourage early childhood development. Upon completion of the program, individuals would receive a local certification as a trained "Community Childhood Educator". The program would be hosted by state-certified Child Care Health Consultants.

This model is based on the one used by the Early Childhood Resource Center (ECRC), a privately-funded organization that focuses on issues of childhood education in Canton, Ohio. The ECRC offers a variety of courses for families of young children, education professionals, and the

⁹ Ibid

¹⁰ Kentucky: Cabinet for Health and Family Services. "Child Care Assistance Program (CCAP)," accessed January 22, 2017, <http://chfs.ky.gov/dcbs/dcc/ccap.html>.

¹¹ Kentucky Cabinet for Health and Family Services. "HANDS program," accessed January 22, 2017, <http://chfs.ky.gov/dph/mch/ecd/hands.htm>.

general public as “Improving Classroom Behavior” and “Understanding the Temperaments of Infants and Toddlers”.¹² The classes combine education for those seeking to learn skills for encouraging early childhood development and activities for young children, so that those learning such techniques can practice applying them with the children they are caring for. The ECRC also includes webinars as part of their child care program. Classes are run by state-certified childcare professionals, and range between 15-30 participants.

Under our proposal, state-licensed Child Care Health Consultants would create the curriculum and lead the courses which would last approximately 1-2 hours per week over 6 weeks. Courses would take place in local community centers in Danville and surrounding counties. The seminars would be videotaped so that people who cannot attend seminars can watch the seminar online. The webinars will be posted to the Chamber of Commerce website, the Danville and Boyle County School District websites, and Danville’s official website.

At the end of the curriculum, participants would receive a non-governmental certificate as a “Community Childhood Educator” which could be sponsored by both the Boyle County, Danville, and surrounding counties’ school districts as well as local businesses and community organizations. As an option, any individual would be able to attend any program without completing the certification process. Local businesses would sponsor the program by covering the costs of the program (costs of attending ECRC programs in Canton range from \$0 to \$15 per participant) and potentially providing advertising. Funding could also come from non-profit organizations and local and state governments.

The other main component of the policy includes educating local parents about the values of early childhood education. This would be done through seminars similar to the Community Childhood Educator program, but would be more of a public forum rather than an instructional class. These would be led by Child Care Health Consultants, local parents, and community leaders. The sessions would be paired with a local marketing campaign that emphasizes the importance of early childhood education to parents and the community at large and also improve awareness of existing state and federal child care assistance programs such as HANDS and CCAP. By generating support for early childhood education, such a marketing campaign would have the potential to brand Danville as a model town for young families and child care. This would help to attract new, younger residents in hopes of having children thereby expanding the local workforce to include younger workers.

A potential drawback to this policy would be finding ways to incentivize individuals to participate. Particularly at the beginning of this program’s implementation, encouraging residents of Boyle County and surrounding areas attend to these seminars could be problematic. We would encourage the Chamber of Commerce to talk with its member businesses and local governments

¹² Early Childhood Resource Center. “Educational Childrens’ Programs”
<http://www.ecresourcecenter.org/educational-children-s-programs>

about ways to encourage their employees to participate if attendance is initially low. If an employer deems the seminars to be important and valuable, they could go as far to offer financial or other types of benefits to employees that attend the seminars. However, we are confident that well-organized, thorough marketing and public education campaigns would vastly increase local demand for high-quality child care.

Conclusion

Evidence has consistently demonstrated that investment in early childhood education is essential to the future development of a strong workforce and a strong community. Boyle County has the opportunity to make this investment by providing seminars and services that educate the community about the importance of early childhood development. The incorporation of Boyle County businesses would further strengthen the investment by showing that local industries are willing to invest in their future workforce and community.

The Boyle County Chamber of Commerce, Boyle County Industrial Foundation, and community as a whole must take the next steps in this investment. Educating the public about the importance of early childhood education through open seminars and programs will be the first step in investing in the future of Boyle County's workforce.

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Creating a Culture of Innovation

Cooper Hall and Jacob Heine

Summary

Danville is a place that we all know and have grown to love; It is home to Centre College, buoyed by a beautiful downtown, and full of rural charm. Danville is not, however, currently a bustling hub for emerging industries. We currently lack a culture of innovation, the reputation that reels in entrepreneurs and young business owners. This paper will explore how to develop Boyle County into a hub for emerging industries by analyzing a few key statistics and addressing key complaints from the area's businesses.

Introduction

There is currently a major opportunity waiting for some fortunate locale to grasp it: who will become the next big hub for emerging industry? Places like Silicon Valley and the Research Triangle have seen their economies flourish because they have been able to create and maintain many new, innovative businesses. Although Danville cannot be expected to match their productivity any time soon, it is possible to follow their lead and create an environment in which new and emerging industries can find a flourishing place to call home. Danville certainly has several advantages in attracting businesses, but there are also many challenges that we must overcome in order to truly embrace the future of industry. Danville needs to embrace a culture of innovation. There is no single solution that can provide an immediate, drastic shift, but we do offer a variety of smaller solutions and suggestions that will address various issues that Danville faces.

Background

To expand on the advantages that Danville has to offer, Herrington Lake provides an effectively drought-proof water supply to Danville's homes and businesses. Our railroads, nearby highways, and airport provide easy access to Boyle County, both for visitors, workers, and shipping companies, and Kentucky as a whole has some of the cheapest power in the country. Danville also has the capability to produce a steady stream of both college-educated and workforce ready citizens; Boyle County is home to Centre College, an elite Liberal Arts school, as well as hosting satellite campuses for Bluegrass Community Technical College, Eastern Kentucky University, and American National University.

Danville also faces many obstacles. Perhaps the largest is a battle of stereotypes; Kentucky, especially small-town Kentucky, is not looked upon favorably in terms of our ability to innovate and produce fresh new ideas. Danville, although blessed with various transportation options,

does lack a highway, which is often seen as a major drawback. Danville also has a relatively low population, and its universities aren't focused on producing the right type of graduates for research and development or high-end electronics design.

If we are to move towards becoming a hub of emerging industry, it is important to understand how these already-established hubs of emerging industry came to be. Silicon Valley began through a partnership with Stanford University, and traces its roots to the 1939 founding of Hewlett-Packard. It then expanded over the years into the global technological hub that it is today.¹ The Research Triangle Park was founded in 1959. It draws on three nearby universities (UNC Chapel Hill, NC State, and Duke) to provide innovation and an attraction to companies; in 1960, they brought in their first company; Chemstrand, the company that created AstroTurf. IBM soon came calling, and they set up a 600,000 square foot research facility. Today, the RTP is home to over 200 businesses and 50000 "people of expertise," with focuses in fields as diverse as micro-electronics, telecommunications, biotechnology, chemicals, pharmaceuticals, and environmental sciences.² Although these locales had humble beginnings, they now can attract new businesses on name brand alone. Although Danville cannot hope to reach these levels in any short-term period, I believe they set a valuable example.

Proposal

How can Danville start to move in the direction of Silicon Valley and the Research Triangle Park? Although we are certainly miles away, there are concrete steps that can be taken in order to improve our standing; one of the most vital is internet access. Better broadband internet access, or even fiber optic, is something that could have an enormous potential to benefit Danville. Businesses rely more on computers every year, and even smaller local businesses need to be able to take advantage of the internet in order to market themselves, sell goods, or to make new business connections. Studies corroborate this and show that small businesses with access to the internet versus those that do not grow much faster.³ However, many places in Danville and Boyle County still lack reliable high-speed internet access. When a business is looking to expand, or an entrepreneur is searching for a home for their new business, access to high-speed internet is becoming increasingly important. Improving Danville's infrastructure in this manner would give us an incredible advantage over many similar sized communities, especially in Kentucky, which ranks dead last in average internet speeds.⁴ Additionally, improving access to high-speed internet would not only benefit businesses but it would also improve the lives of Danville citizens. Improved internet access can help provide access to education, information, work opportunities, and more. The downside, of course, is that the initial investment to improve

¹ "About The RTP." *The Research Triangle Park*. N.p., n.d. Web. 22 Jan. 2017.

² Ibid

³Roxburgh, James Manyika Charles. "The great transformer: The impact of the Internet on economic growth and prosperity." *McKinsey & Company*. N.p., n.d. Web. 22 Jan. 2017.

⁴ "Fiber Optic Internet." *Fastmetrics*. Fastmetrics, n.d. Web. 22 Jan. 2017.

local internet access infrastructure is quite high. The costs to maintain internet infrastructure are fairly cheap, however, and the benefits that would be provided to Boyle County are incredible.

Another facet of making Boyle County more attractive to emerging industry is to make Danville more “Business friendly.” “Business friendly” is an abstract, unquantifiable metric, however, so we first had to find a way to measure it. We began by taking MarketWatch’s methodology for ranking the top 100 business-friendly cities in the US⁵, and then modifying it to be better suited to small towns. We then compared Danville with four other cities in Kentucky: Bardstown, Berea, Campbellsville, and Owensboro. Our analysis looks at how the community has grown over time, both in terms of population and labor force, as well as statistics about income, education, number of businesses, number of patents secured, and economic longevity, which is an agglomeration of improvements in unemployment and improvements in median household income. It should be noted that some of the data was only available at a county level; those categories are marked with an asterisk, and Berea only received half of the normal amount of points in these categories because it shares Madison County with Richmond. The findings, along with the final point tallies, can be found in the following table; Bardstown ranked first among the cities, followed closely by Danville, then Owensboro in third, Berea in fourth, and Campbellsville last. This used data from the US Census Bureau⁶, the St. Louis Federal Reserve Bank⁷, and from the US Patent and Trademark Office⁸

| City | Danville | Campbellsville | Berea | Bardstown | Owensboro |
|-------------------------------------|----------|----------------|-------|-----------|-----------|
| Population Growth (2010-2015) | 2.9% | 5.6% | 9.7% | 3.9% | 2.8% |
| Work-Eligible Pop. | 61.2% | 62.9% | 64.6% | 60.1% | 60.1% |
| Pop. 25+ with 4-Year Degree or more | 25.4% | 19.9% | 28.3% | 16.4% | 19.9% |
| Patents (1975-Present) | 283 | 76 | 64 | 83 | 259 |

⁵ Britt, Russ. "How MarketWatch found America's most business-friendly city." *MarketWatch*. N.p., 22 May 2015. Web. 22 Jan. 2017.

⁶ "Population estimates, July 1, 2016, (V2016)." *UNITED STATES QuickFacts from the US Census Bureau*. N.p., n.d. Web. 22 Jan. 2017.

⁷ "FRED." *Federal Reserve Economic Data*. Federal Reserve Bank of St. Louis, n.d. Web. 22 Jan. 2017.

⁸ "US Patent Full-Text Database Manual Search." *US Patent Full-Text Database Manual Search*. N.p., n.d. Web. 22 Jan. 2017.

| | | | | | |
|--|----------|----------|-----------|----------|-----------|
| Median Household Income* | \$41,538 | \$34,633 | \$44,358* | \$54,540 | \$43,390 |
| Change in Unemployment (2006-2016)* | -1.7% | +0.1% | -1.1%* | -1.8% | -1.0% |
| Labor Force Growth (2006-2016)* | -843 | -2426 | 25562* | -97 | -1435 |
| Annual Payroll (Thousands of Dollars)* | 442,367 | 261,028 | 851,651* | 492,249 | 1,470,390 |
| Number of Firms (2012) | 1,404 | 1,427 | 1,335 | 1,222 | 4,433 |
| Economic Longevity * | 3.5 | 1 | 3.5* | 5 | 2 |
| Point Total (Possible 50) | 31.5 | 22 | 27.75 | 32 | 29 |

Danville performed very solidly across the board; although we only came received the maximum points in one category (Danville registered the most patents), Danville never ranked last in any category. Our lowest finishes, second to last, were in population growth, median household income, and total county payroll. Finding ways to improve these statistics would make Boyle County even more attractive to businesses. It is also important to note that many of the categories take population into account, and our rankings are by no means all-encompassing; although Danville ranked higher than Owensboro in our system, Owensboro’s higher population will give them an advantage in attracting businesses, despite our ranking.

In order to explore other ways we could make Boyle County more business friendly, we decided to ask those who knew best. We contacted business owners in the community who provided us with a list of several specific issues, complaints, and tips. One respondent wanted better industrial signage; making it easier for trucks to find their way to the industrial park, thus saving time and reducing truck traffic in downtown Danville. Another request was to simplify the zoning and permit process, making it easier for new businesses to build and existing businesses to expand. Some suggested investing in new agricultural opportunities, such as sorghum, the third most common cereal grain in the United States. There is also the possibility of investing in hemp, which has a host of industrial uses and at one time was the largest crop grown in

Kentucky before it was criminalized. If hemp was to be commercially decriminalized, it has the potential to become a major factor in Kentucky's economy once again.

Finally, one solution to the lack of start-ups and emerging industries in Danville could be a business incubator. Bringing in bright entrepreneurial minds and giving them opportunities and access to capital, while simultaneously tying them to the Danville community is a great way to develop a reputation for being home to explorers, innovators, and designers, potentially attracting new businesses. Our classmates Keenan and Micah have provided a solid outline for a business incubator here at Centre; perhaps that could be the key to unlocking Danville's innovative potential.

Conclusion

Although Danville is certainly not Silicon Valley, there are reasons to hope that Boyle County can make definitive steps forward in preparing for the future. If we are to hope that Danville can support new, emerging industries, it is vital that we improve our reputation for innovation, our culture surrounding these businesses, our access to high-speed internet, as well as taking steps to make sure that Danville is known for being business friendly. What are the next steps? Although it may seem like a Catch-22, we need to attract emerging industries in order to develop a reputation for being a good location for said emerging industries, attracting more. In order to make Danville more "Business friendly", one could start by following up with some of the local business owners to find out what they need; we received a fairly substantial list, some of which is outlined above, just by asking. Finally, it is important to invest in infrastructure. Access to high-speed internet is vital to many businesses now, and investment is the only way to move that forward. There is no one solution that will solve Danville's woes or launch us to the top of the pile, but every single one of the ideas above could be the start.

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Entrepreneurship - a Bridge Between Town and Gown

Micah Kaiser and Keenan Jones

Summary

In addressing the desire to stimulate creativity on campus and student involvement in the Danville community, the creation of a business incubator serves as the perfect catalyst. The Forge acts as a location aiding the evolution of ideas into standalone businesses. Its two entities, the Innovation Centre and the Forge Business Incubator program, establish a process of idea creation and entrepreneurial mentorship. Each batch offers opportunity for student, staff, and community involvement and culminates in a celebration of these interdisciplinary endeavors on Demo Day. The process of developing these ventures and their lasting implications within Danville creates an atmosphere of innovation and community that unlocks exciting new possibilities.

Introduction

Danville has a copious amount of untapped potential sitting in its own backyard—Centre College. Yet, Boyle County sparsely benefits from the talents it hosts year after year. The community and colonels refer to the relationship as the “Centre Bubble”. To elaborate, students seldom interact with the community, and seeing alumni start careers in town is even more rare. Furthermore, Centre prepares its graduates with an outstanding liberal arts education, but does little to inculcate creativity in those students. These shortcomings do not have to be the case. A business incubator in connection with the school offers that possibility; through the fostering of creativity and the development of startup ideas, the probability for students to base innovative businesses, employ other graduates, and therefore attract new industries to the community grows greatly. The Forge brings entrepreneurship to students—and innovation to Danville.

Background

A business incubator is defined as an organization that “seeks to give form and substance—that is, structure and credibility—to startup or emerging ventures. Consequently, a new business incubator is a facility for the maintenance of controlled conditions to assist in the cultivation of new companies.”¹ The concept of an incubator is fairly simple, yet extremely appealing. LED officials see business incubators as ways to spur economic development and diversity—of which 91.3 and 60.9%, respectively, are the major objectives of current incubators². Despite these goals, the most successful aspect of these organizations is the ability enhance a venture’s

¹ Raymond W. Smilor and Michael Doud Gill Jr, *The New Business Incubator: Linking Talent, Technology, Capital and Know-How* (Lexington, Mass: Lexington Books, 1986).

² “Formation of a Business Incubator,” accessed January 21, 2017, <http://www.iphandbook.org/handbook/ch13/p06/>.

survival rate. Businesses nurtured in an incubator show an 80-90% five-year survival rate, compared to barely 50% in regards to non-incubator assisted endeavors, as reported by the Bureau of Labor Statistics³. The many incubators dispersed across the United States take different approaches, yet all yield a class of entrepreneurs that thrive and aid the local economies for long periods of time. Incubators in the United States can be categorized into three variations based on their internal makeup: public, private, and collegiate.

Incubators of all three types find triumph in their startups, yet their compositions are vastly overlapped—thus, it is essential to draw upon all three classes in order to design an incubator that is worthwhile. Harvard's Innovation Lab and Venture Incubation Program, OCEAN Accelerator based in Cincinnati, and Berea's Gallery 1-2-3 are quintessential examples. Harvard's, being in the collegiate class, is unique in that it is a multi-step incubator which uses an Innovation Lab as a predecessor to their incubator. This lab allows for idea stimulation and growth before the application process through free-formed spaces and interdisciplinary interaction amongst students. Upon satisfaction with a concept, students are urged to apply to the Venture Incubation Program, where they will receive stipends, capital, and mentoring once accepted. This approach has produced more than 75 new companies in the market and has accounted for over \$300,000,000 in revenue⁴. Juxtaposing the fluidity of Harvard's incubation program is the curriculum-based OCEAN Accelerator. This private organization strives to systematically develop startups through a 5-month, schedule based program—which consists of checklists, journal and yoga time, and pitch practicing. They focus along the way on maintaining the deeper purpose that drives each innovator on a spiritual, physical, relational, and intellectual level, while still growing a profitable startup. Furthermore, Gallery 1-2-3 is a local government funded accelerator that focuses on funding artists whom will locate in the community upon conclusion of their incubating period. They aid their artist with workspace, guidance, a showroom, and a budget and help focus their artist on planting roots in the Berea artisan district. By taking characteristics of each of these successful incubators, we created the structural design of The Forge.

Why Centre?

The recent Creative Centre initiative is one that is striving to foster innovation and creative thinking on campus through a series of programs; The Forge acts as a conglomeration of all aspects of the initiative and the next step in this process. It is not without its risks, but its copious amount of potential benefits warrant its creation. The creativity it would yield ceases to exist only within the campus boundaries, for it aims to produce innovative businesses in the community, alumni involvement in Danville, and a mutually beneficial relationship with local

³ "Entrepreneurship and the U.S. Economy," accessed January 21, 2017, <https://www.bls.gov/bdm/entrepreneurship/entrepreneurship.htm>.

⁴ "By the Numbers," *The Harvard Innovation Lab*, accessed January 21, 2017, <https://i-lab.harvard.edu/explore/about/by-the-numbers/>.

entrepreneurs and experts. The Forge offers an influx of community and creativity—of which Centre yearns to culminate.

Establishing The Forge at Centre offers the opportunity to bridge the gap between the college and the community. Currently, the “Centre Bubble” isolates college students from interacting or becoming a part of Danville. Due to their lack of ties, very few students plan on staying in the community upon graduation. The Forge would strengthen this connection with Danville. If students’ resulting businesses are created in our community, then they will be hesitant to leave their established location; rather, they will develop it even further. As students’ businesses become successful, they will need to hire more workers, thus benefitting Danville residents directly. Also, the thriving business climate for small firms that Danville offers provides a great agglomeration economy of likeminded entrepreneurs to benefit the young businesses. Just as Berea’s art accelerator has stimulated creativity and an economic identity in their community, The Forge will build an even stronger culture of innovation and entrepreneurship in Danville. Looking even deeper, The Forge offers the possibility for members of the Centre Mafia to become more active in the community by allowing them to invest in the participants’ firms—by giving them a stake in the businesses, it gives them motivation to grow and build our community. The Forge connects Centre to the community and betters both institutions as a result.

Furthermore, the Forge Business Incubator and Innovation Centre take Creative Centre’s six initiatives in stride and aid the College’s mission of better preparing students for lives of learning, leadership, and service. The Forge not only advocates for creativity in all aspects of the educational experience, but provides an outlet for this ingenuity to thrive. It transforms the individual creative process into one that encompasses all disciplines and is held accountable by peer involvement. It allows for individuals and groups to creatively blossom; yet at the same time, invites others to be involved in this process through the possibility of student internships and work study opportunities, the showcase of innovation on Demo Day, and the outlets for community and alumni mentorship and investment. It maintains Centre’s identity while forging a campus and community of creative fruitfulness.

The Forge and its Functionality

The triumphs of Harvard’s I-Lab and Venture Incubation Program, Gallery 1-2-3, and OCEAN suggest there is no need to reinvent the wheel when proposing a design for an incubator at Centre—rather, these accomplishments illuminate positive attributes which can be drawn upon. An incubator at Centre based solely on the success of one existing incubators would create an organization not aligned with our liberal arts values. Thus, the design meshes aspects of these models with qualities aligned with Centre to create a distinctive, well-functioning endeavor benefiting the community and past, present, and future colonels.

The Forge will consist of two separate, but mutually beneficial entities: the “Forge Business Incubator” (FBI) and the “Innovation Centre”. The FBI is the full-fledged, advised, and funded

program for a select batch of startups to incubate. The Innovation Centre, on the other hand, is a platform to foster creativity and innovative ideas, which then can be translated into the incubator program. Together, The Forge serves as a location that sparks and capitalizes on innovation—making Centre not just a liberal arts powerhouse, but a hub of creativity.

The Innovation Centre

With a campus full of active minds, new ideas flow endlessly—yet, innovation is not just the brainstorming of ideas, but the sharpening and molding of them into a coherent, cross-disciplinary effort. The Innovation Centre serves as the catalyst transforming these ideas into entrepreneurship aimed at solving the world’s most pressing issues. It is a space for any Centre student, with any idea, and at any stage of the formation process. The Innovation Centre will build off of Creative Centre’s initiatives in order to establish a place for students to engage effectively with pressing issues, create an environment that values creative thinking, and allows for ideas to thrive⁵.

The Innovation Centre’s main attribute will be its human-centric space, allowing for the development of students’ creative endeavors without restriction. It will be an environment where all ideas are valued, encouraged, and further investigated. It will simply be an area for free-flowing creativity through an open layout of workspaces and recourses available to spur the creative process. It aims to be the early development stage of innovative ideas, which can then be transplanted into the Forge Business Incubator program for further development.

The Forge Business Incubator

After a venture’s creation in the Innovation Centre, groups are encouraged to apply for the FBI program—which aims at the advising, educating, and networking of startups in order to arm endeavors with the tools needed to progress their ideas into a successful business. It is not just a co-working space, like the Innovation Centre. It is a program that draws on the community of students, mentors, staff, and networking in order to enhance ideas with the knowledge and resources it needs to grow. It is unlike anything at Centre College.

Seeing as this program consists of resources and human capital not available to all Centre students, the FBI program must be limited to 4 startups per batch. This competitive selection process will involve a small application and presentation of the startup’s idea in front of a panel of experts from varying industries. This screening process will evaluate applicants on their ideas, its application in society, and the group’s dedication to the venture’s growth and implementation—selecting batches of entrepreneurs with the aim of bettering society and

⁵ “Creative Centre Emphasizes Creativity throughout The Centre Experience,” *Centre College*, November 2, 2015, <https://www.centre.edu/creative-centre-emphasizes-creativity-throughout-centre-experience/>.

longevity in the economy. There will be two batches, one per full semester, which will receive access to the exclusive FBI resources.

Once selected, startups will have access to capital, mentoring and advising, and support in order to develop and reach their milestones. Batches will still be able to use the Innovation Centre in order to benefit from fresh ideas and new student approaches, yet will also be given individual office space, access to conference rooms, and other exclusive spaces based on the needs of each startup. In addition to personal capital, startups in the incubator will benefit from the advising and mentorship of experienced entrepreneurs, experts in their field, and influential investors. These human resources will go forth to provide specialized support to each startup and help cater the experience towards their respective areas of interest. To further aid their development, incubating startups will receive a small stipend. This stipend will be available for use on development research, marketing, or any other expense seen as fit. These startups will be receiving resources, as well as the time and effort of many people, thus there is a need for structure to hold them accountable.

Each batch will go through a structured 4-month program, with each month having a new focus: purpose/vision, lean startup, business canvas, and branding. The purpose/vision phase will help a startup to define and refine its vision based on value proposition. Once an idea has been thoroughly assessed, the groups will begin learning the lean business model—which addresses customer acquisition, resource management, and financial planning. They will then move onto the business canvas phase in which they will receive mentoring and guidance on how to create an effective canvas for an entrepreneurial business. Finally, they will focus on branding and marketing. This set of curriculum will be structured with guest speakers on Mondays, pitch practice on Thursday and Friday, along with mentoring and coaching throughout the week. The Forge Business Incubation program will culminate with a showcase of their work.

Following the months of strenuous development and mentorship, the incubating program will bookend with a presentation of their successes called “Demo Day”. This celebration will be an open event worth convocation credit to students, yet will be comprised of potential investors and community members as well. These investors will be amongst the Centre network of alumni, along with any other potential investors interested in gaining stake in this new businesses. Demo Day will be an event that illuminates the works of those in the batch and sparks more interest in the program. This event will continue to propel The Forge—ensuring the longevity of creativity at Centre College.

Conclusion

In summation, locating The FBI and Innovation Centre at the College would optimize student involvement with the community and stimulate innovation and creativity in the surrounding area. Our rough design offers opportunity for variation in staff and student involvement, location at Centre or in the community, and phases of development. Our design for The Forge provides an

elegant mix of three successful incubators. This two-piece structure allows for entrepreneurial development at all stages of the creative process. The forging of ideas and hatching of creativity within this organization yields a process of innovative student involvement—while simultaneously ending the “Centre Bubble”.

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